

REMARKS

This paper is responsive to the nonfinal Office Action mailed June 18, 2007.

I. Related Prosecution

To the best of Applicant's knowledge, no material information was previously submitted to this Office within the scope of related prosecution, and the present application has not led to related prosecution currently before this Office.

II. Prosecution History

On May 9, 2001, Applicant filed this application containing 69 claims.

On November 3, 2004, a first nonfinal Office Action issued rejecting claim 1-49 under 35 U.S.C. § 102(b) as anticipated by International Application No. WO 98/04080 ("Zeitman") and claims 50-69 as obvious under 35 U.S.C. § 103(a) over Internal Application No. WO 97/37328 ("Ouimet") in view of Zeitman.

On May 3, 2005, Applicant cancelled claims 1-4, 6-10, 12, 16-17, and 23-49 and amended claims 50-69. Applicant argues that smart cards of Ouimet are not a wireless communication means.

On July 27, 2006, the Examiner withdrew the § 102(b) rejection, changed all grounds for rejection rejecting all claims aside from claim 59 under 35 U.S.C. § 103(a) over Ouimet in view of Zeitman and rejecting claim 59 under 35 U.S.C. § 103(a) over Ouimet in view of Zeitman and U.S. Patent No. 5,351,187 ("Hassett"). The Examiner noted that smart cards are inherently wireless and

official notice was taken of this fact. The Examiner further argues that claims are nonstatutory under 35 U.S.C. § 101 for reciting a process and a system.

On September 26, 2006, Applicant presented new claims 70-91, traversed the § 101 rejection citing to MPEP § 2173.05(f)-(g), challenged the official notice, requested supporting information, and showed how the Outlet smart card cannot have wireless capabilities.

On October 23, 2006, the Examiner withdrew the 35 U.S.C. § 101 rejection for claim 50 but maintained the double class of invention rejection and argued that while a wireless smart card is not disclosed in Outlet, explaining that examples not disclosed in the specification are also included within the scope of the language of the claims.

On December 21, 2006, Applicant filed a Request for Continued Examination reasserting new claims 70-91 and provided evidence in support of a position that smart cards, as of the time of the invention, were not wireless.

III. Summary of the Examiner's Rejections

The Examiner has issued a nonfinal rejection of claims 5, 18-22, and 50-91. Claim 91 is rejected under 35 U.S.C. § 112 first paragraph because is said to include new matter not found in the specification for the term "to be charged." Claims 20-22, 56, 58, 62-67, 77-80, and 85-86 stand rejected under 35 U.S.C. § 101 as being directed to nonstatutory subject matter because the recite both a step and a structure. The Examiner explains that for claim 20, an infringer cannot know if possessing the structure or using the structure would infringe. The Examiner takes issue with how a reference identifier is entered into the device and not information obtained from the reference identifier.

Claims 21–22, 56, 58, 62–67, 77–80, and 85–86 are also said to be indefinite because of a duality of use/ownership of a structure. In claim 70, the term “the parking space” is said to have no antecedent basis; in claim 71, the Examiner does not understand the language “includes a means for geographic positioning of the parking space”; in claim 76, the Examiner does not understand the language “can add extra time with respect to the reference identifier”; and claims 70–91 are rejected under an argument Applicant is unable to understand.

Claims 5, 18–22, 50–58, 60–86, and 88–91 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ouimet in view of Zeitman. Claims 59 and 87 stand rejected under 35 U.S.C. § 103(a) over Ouimet in view of Zeitman and Hassett.

IV. Applicant's Response to Examiner's Rejections

A. The Examiner's 35 U.S.C. § 101 Rejection is Contrary to Law

The Examiner claims that Applicant must draft claims that neatly fit within a single statutory class of invention defined by the Office: either claims are method based or apparatus based but cannot be a combination of both. This position excludes from patentability claims that are directed to patentable subject matter simply because of how claims are drafted. The Examiner provides no legal support for this position either in the MPEP, case law, federal regulations, or any other sources. The Examiner's interpretation is wrong.

On September 26, 2006, Applicant explained in detail how “for the purpose of a 35 U.S.C. § 101 analysis, it is of little relevance whether the claim is directed to a machine or a process.” *AT&T Corp. v. Excel Communications*,

Inc., 172 F.3d 1352 (Fed. Cir. 1999) as cited in the MPEP § 2106.IV.B.2. Applicant quoted from several sections of the MPEP and showed that a claim that falls within two statutory classes is patentable. The Examiner maintained the erroneous position and failed to provide any support for this position.

Applicant redirects the Examiner to the *AT&T* case where the Federal Circuit explained that “The Supreme Court has construed § 101 broadly, nothing that Congress intended statutory subject matter to ‘include anything under the sun that is made by man.’” *Diamond v. Chakrabarty*, 447 US 303 (1980). *AT&T* at 1353. “[W]e consider the scope of § 101 to be the same regardless of the form—machine or process—in which a particular claim is drafted.” *AT&T* at 1357. “In fact, whether the invention is a process or a machine is irrelevant.” *AT&T* at 1358. “The ultimate issue always has been whether the claim as a whole is drawn to statutory subject matter.” *AT&T* at 1359. The Examiner agrees that applicant’s claim, as a whole, is directed to statutory subject matter; this is the ultimate issue and Applicant’s invention as claimed was therefore made by man and is patentable.

In response to Applicant, the Examiner writes, “The claims cannot recite structure of a system and then use that recited structure in a method step, this is improper.” (See p. 18, para. 13 of 6/18/07 Office Action.) This is not the method that must be used by the Examiner to review Applicant’s claims. MPEP § 2106.IV.B sides with Applicant. The guide provides clear steps to conduct a review: (a) Determine Whether the Claimed Invention Falls Within an Enumerated Statutory Category, and (b) Determine Whether the Claimed Invention Falls Within 35 U.S.C. § 101 Judicial Exceptions—Laws of Nature,

Natural Phenomena and Abstract Ideas. Step (a) contains explicit instructions that support Applicant's position:

Determine Whether the Claimed Invention Falls Within an Enumerated Statutory Category

To properly determine whether a claimed invention complies with the statutory invention requirements of 35 U.S.C. 101, USPTO personnel must first identify whether the claim falls within at least one of the four enumerated categories of patentable subject matter recited in section 101 (i.e., process, machine, manufacture, or composition of matter).

In many instances it is clear within which of the enumerated categories a claimed invention falls. Even if the characterization of the claimed invention is not clear, this is usually not an issue that will preclude making an accurate and correct assessment with respect to the section 101 analysis. The scope of 35 U.S.C. 101 is the same regardless of the form or category of invention in which a particular claim is drafted. AT&T, 172 F.3d at 1357, 50 USPQ2d at 1451. See also *State Street*, 149 F.3d at 1375, 47 USPQ2d at 1602 wherein the Federal Circuit explained:

The question of whether a claim encompasses statutory subject matter should not focus on which of the four categories of subject matter a claim is directed to—process, machine, manufacture, or composition of matter [provided the subject matter falls into at least one category of statutory subject matter]—but rather on the essential characteristics of the subject matter, in particular, its practical utility.

For example, a claimed invention may be a combination of devices that appear to be directed to a machine and one or more steps of the functions performed by the machine. Such instances of mixed attributes, although potentially confusing as to which category of patentable subject matter the claim belongs, does not affect the analysis to be performed by USPTO personnel. Note that an apparatus claim with process steps is not classified as a "hybrid" claim; instead, it is simply an apparatus claim including functional limitations. See, e.g., *R.A.C.C. Indus. v. Stun-Tech, Inc.*, 178 F.3d 1309 (Fed. Cir. 1998) (unpublished).

The burden is on the USPTO to set forth a *prima facie* case of unpatentability. Therefore if USPTO personnel determine that it is more likely than not that the claimed subject matter falls outside all of the statutory categories, they must provide an explanation. For example, a claim reciting only a musical composition, literary work, compilation of data, or legal document (e.g., an insurance policy) *per se* does not appear to be a process, machine, manufacture, or composition of matter. (Emphasis added.)

The Examiner is wrong. Applicant's claims are patentable and the § 101 rejection is improper since it clearly does not fall outside all of the statutory

categories. Applicant respectfully traverses this rejection and requests withdrawal by the Examiner.

B. Claim 91 is Amended

Applicant has amended claim 91 to replace “the refund of payments” by “an appropriate adjustment to the amount to be charged” as supported in para. [0084] of the specification. No new matter was added by way of this amendment. The rejection under 35 U.S.C. § 112 paragraph 1 should be withdrawn and allowance of claim 91 is respectfully requested.

C. The Rejection for Performing a Step is also Improper

Claims 20–22, 56, 58, 62–67, 77–80, and 85–86 are rejected under 35 U.S.C. § 112 second paragraph because they relate to a step of using a device described in claim 50. Once again, the Examiner fails to offer any justification or support for this rejection aside from a vague argument that infringers would be uncertain as to how to read the claim. Applicant respectfully disagrees and directs the Examiner to Subsection V of Section 2106.

A. Determine Whether the Claimed Invention Complies with 35 U.S.C. 112, Second Paragraph Requirements (MPEP § 2171)

The second paragraph of 35 U.S.C. 112 contains two separate and distinct requirements: (A) that the claim(s) set forth the subject matter applicants regard as the invention, and (B) that the claim(s) particularly point out and distinctly claim the invention.

An application will be deficient under the first requirement of 35 U.S.C. 112, second paragraph when evidence including admissions, other than in the application as filed, shows that an applicant has stated what he or she regards the invention to be different from what is claimed (see MPEP § 2171–§ 2172.01).

An application fails to comply with the second requirement of 35 U.S.C. 112, second paragraph when the claims do not set out and define the invention with a reasonable degree of precision and particularity. In this regard, the definiteness of the language must be analyzed, not in a

vacuum, but always in light of the teachings of the disclosure as it would be interpreted by one of ordinary skill in the art. Applicant's claims, interpreted in light of the disclosure, must reasonably apprise a person of ordinary skill in the art of the invention. (Emphasis added.)

The Examiner's suggested method of analysis is not supported by law. There is nothing under U.S. law to prevent Applicant from claiming a device and adding dependant claims directed to the use of the device in a specific and well-defined way. Illustratively, claim 21 reads, "The payment system of Claim 50 where said wireless ticket issuance device verifies the time status of said reference identifier by scanning a bar code." Applicant is puzzled how one of ordinary skill in the art could be confused by this language. The claim is clear within a reasonable degree of precision and particularity. A device (the wireless ticket issuance device) is used to scan a bar code and the time status of the reference identifier is verified. Once again, if the Examiner wishes to force Applicant to write dependant claims with only structure as a structure-based independent claim, then at a minimum, some type of support in the law must be cited. Claims 20-22, 56, 58, 62-67, 77-80, and 85-86 are properly drafted and cannot be rejected under 35 U.S.C. § 112 second paragraph. Withdrawal of the rejection is solicited.

D. Claim 20 is Amended

The Examiner argues that a reference identifier and the information obtained from a reference identifier, such as the reference identifier data string as described fully in the specification in para. [0025], are different elements. Applicant has amended claim 20 to add the term "data string" as supported by

the specification. No new matter was added by way of this amendment. Applicant requests withdrawal of this rejection based on this amendment.

E. Claim 70 is Amended

The term “place” as noted by the Examiner in claim 70 is a typographical error and has been amended with the word “space,” as part of the element “parking space” defined and given proper antecedent basis in claim 70. No new matter was added by way of this amendment. Applicant requests withdrawal of this rejection based on this amendment.

F. Claim 71 is Supported by the Specification

Paragraph [0056] provides, “The geographic location is referenced by the geographical identifier number, which may be a sign with an alphanumeric code displayed, with each specific location code belonging to an assigned city or location.” Claim 71 provides a “means for geographic positioned of the parking space” as described in para. 0056] of the specification, namely, an alphanumeric code. For example, if the geographical identification number is CHI 0345, then the number 0345 may be a specific parking spot or a lot, while the alphanumeric code CHI corresponds to a city such as Chicago. Applicant believes adequate support in the specification is given for claim 71. The claim is in condition of allowance.

G. Claim 76 is Amended

Applicant has amended claim 76 to add the term “data string” as supported by the specification at para. [0025]. These words defined the reference identifier and proper antecedent basis is associated with this

element. No new matter was added by way of this amendment. Applicant requests withdrawal of this rejection based on this amendment.

H. The Patentability Claim under § 1.111 is Proper

Applicant explained that claims 70-91 are directed to a device having a “wireless communication means” as one of the required elements, not a reference identifier with a wireless communication means. Claim 50 is directed to a device having a communication means adapted to be used by the occupant of the vehicle to communicate to a central processing means. Claim 70 is directed to a wireless communication means used by the occupant of the vehicle in wireless communication with the central processing means for communicating the reference identifier data string and the geographical identifier number and making a payment. None of the references teaches the use of a wireless communication means used by the occupant of the vehicle.

I. Rejections under 35 U.S.C. § 103(a)

Claims 5, 18-22, 50-58, 60-86, and 88-91 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ouimet in view of Zeitman, and claims 59 and 87 stand rejected under 35 U.S.C. § 103(a) over Ouimet in view of Zeitman and Hassett.

The Examiner concedes that what is analogized as the reference identifier in Ouimet (e.g., the smart card) is not disclosed as a card having wireless communication means. The Examiner argues that one of ordinary skill would clearly recognize that smart cards can be either a contact-type card or a noncontact-type card. The Examiner takes official notice that both types of cards could be used because it is argued that both types were known in the art

as to the filing of Applicant's application. In support of this position, the Examiner explains that "Octopus"-type contactless smart cards have been in use in Japan since the 1990s. Applicant only challenges the official notice to the extent that the Octopus card was introduced in the Tokyo subway in late 1997, based on the evidence provided, not the early 1990s.

In an effort to place all claims in condition of allowance over the cited art, Applicant amends the claims to add features described at para. [0048], ll. 4-8; para. [0072], ll. 5-10; and para. [0075], ll. 9-20 as found in U.S. Patent Publication No. 2002/00086639. The specification provides the following:

The communications devices may be enabled with the ability to pre-program the reference identifier number, the location code of the city where the vehicle is parked, and the time requested for paid parking, as well as the space location if required. [0048]

... through communication means, can inform the user of the reference identifier that the designated time has expired and request if more time is desired by the user. This prompt allows the user to add more time to the reference identifier so the vehicle will not be in a violation state. [0072]

The communication means number and/or a password stored in the central billing database is referenced to a reference identifier in block 18. The reference identifier may be a reference identifier number (e.g., a "pass" number). In block 20, the reference identifier is assigned to the user by the central billing database. [0075].

Applicant amends the claims to include the following language supported as a minimum by the above cited portions of the specification:

... to inform and prompt the communication means upon expiration of said time if more time is desired by entering time to credit said parking meter with additional credit from said communication means,

wherein the communications means provides the central processing means with a number or a password, the reference identifier number, and a location code associated with the geographical location for association in a central billing database.

Applicant has reviewed Ouimet and Zeitman and does not believe these references disclose the amended language to claims 50 and 70.

Conclusion

Applicant submits that all claims are now in proper condition for allowance, and such action is earnestly solicited. The Commissioner is hereby authorized to charge any underpayment or credit any overpayment to Deposit Account No. 22-0259 or any payment in connection with this communication, including any fees for extension of time, that may be required. The Examiner is also invited to call the undersigned if such action might expedite the prosecution of this application.

Respectfully submitted,

Date: 9/11/07

By: Michael J. Turgeon
Michael J. Turgeon
Reg. No. 39,404

Vedder, Price, Kaufman & Kammholz, P.C.
222 N. LaSalle St., Suite 2600
Chicago, Illinois 60601
phone: (312) 609-7716
fax: (312) 609-5005